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No. 91-1511

Supreme Court, U.S.
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IN THE

Supreme Court of the United States

OCTOBER TERM, 1991

CARL ROBERTS, d/b/a ROBERTS MOTOR COMPANY,

Petitioner,

—v.—

FERRARI S.P.A. ESERCIZIO FABBRICHE AUTOMOBILI E CORSE,

Respondent.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

BRIEF FOR THE RESPONDENT IN OPPOSITION

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QUESTION PRESENTED

Whether the federal patent laws preclude trade dress protection under Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), for the distinctive, source-identifying exterior shapes and features of respondent's Daytona Spyder and Testarossa automobiles?

PARTIES TO THE PROCEEDING

The parties to this proceeding are identified in the caption. Respondent Ferrari S.p.A. Esercizio Fabbriche Automobili E Corse ("Ferrari") is a majority-owned subsidiary of Fiat Auto S.p.A., an Italian corporation which is a wholly-owned subsidiary of Fiat S.p.A., an Italian public corporation.

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OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1-86) is reported at 944 F.2d 1235. The opinion of the district court (Pet. App. 87-131) is reported at 739 F. Supp. 1138.

JURISDICTION

The judgment of the court of appeals was entered on September 5, 1991. A petition for rehearing *en banc* was denied on November 15, 1991. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

STATEMENT OF THE CASE

A. Factual Background

Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), protects unregistered trademarks, including trade dress—the nonfunctional source-identifying external appearance of a product—from confusing imitations. Respondent Ferrari brought this action to protect its trade dress rights in the distinctive designs of two of its automobiles from infringement by petitioner Roberts, a producer of imitation Ferrari vehicles that are indistinguishable in appearance from the geninue cars.

Respondent Ferrari is a world famous manufacturer of high performance automobiles, including two models known as the Daytona Spyder and the Testarossa. Pet. App. at 1, 4, 8. The exterior shapes and features of Ferrari's Daytona Spyder and Testarossa automobiles enjoy strong secondary meaning as Ferrari's nonfunctional trade dress; as the district court found, they "are so associated in the public mind with Ferrari that the public distinguishes Ferrari from other automobile manufacturers by those shapes and features." Pet. App. at 111. This finding was based upon both consumer recognition surveys and evidence of widespread media recognition of the distinctive, source-identifying characteristics of the exterior designs of the two vehicles. In the words of the Art Director of *Automobile* magazine in his trial testimony, the shapes of the Daytona Spyder and Testarossa automobiles "say Ferrari," and magazine editors therefore prominently display those cars on their covers because their instant recognizability boosts sales. Pet. App. at 15.

Roberts did not merely, as the Petition puts it, "manufactur[e] fiberglass body parts, which he sold to car enthusiasts for assembly onto Chevrolet Corvette or Pontiac Fiero chassis" to create "kit cars" that "look virtually identical to an original Ferrari. . . ." Pet. at 5-6. Before being enjoined by the district court, Roberts manufactured and sold two separate fiberglass automobile body conversions, which he called

the "Miami Spyder" and the "Miami Coupe," that were *complete replicas* of the entire nonfunctional, source-identifying exterior configurations of Ferrari's Daytona Spyder and Testarossa automobiles. As the district court found, Roberts deliberately copied the shapes and features of Ferrari's cars as closely as he possibly could, with the unabashed "intent of deriving benefit from the reputation of Ferrari's Testarossa and Daytona Spyder." Pet. App. at 120.

Roberts intentionally and slavishly copied the configurations of these two Ferrari cars with the intent of causing confusion as to the source of his so-called "replicars." Contrary to the suggestion in the Petition's statement of the question presented for review, Roberts did *not* label his conversions to distinguish them from genuine Ferraris and to prevent confusion as to their source, but instead took deliberate steps to appropriate the nonfunctional, source-identifying design elements of Ferrari's cars in such a manner as to foster public confusion as to the source of his products. Roberts equipped his Miami Spyder copies of the Ferrari Daytona Spyder with the same distinctive Ferrari prancing horse insignia on the front parking lights as the genuine Daytona Spyder has, Pet. App. at 14, and admitted at trial that Miami Spyders he has sold also have had other Ferrari badges and emblems affixed to them. R. 223-26, 231, 237.[1] Roberts likewise advertised his "knock-offs" of the Ferrari Testarossa and Daytona Spyder with brochures depicting the Ferrari prancing horse logo, Pet. App. at 14, and used photographs of a replica bearing Ferrari insignia to market his Miami Spyder. Ex. P-189, Ex. P-191, Ex. P-217, Ex. P-228, Ex. P-147, p. 53, R. 234-7. Indeed, Roberts originally named his Miami Coupe replica the "Miami Testarossa," infringing Ferrari's registered TESTAROSSA trademark, until enjoined from doing so by the district court at the outset of this action. Pet. App. at 14.

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1 Portions of the trial transcript and trial exhibits cited in this brief are included in the Joint Appendix filed with the court of appeals.

Finally, Roberts openly admitted the confusion fostered by his replicas when he bragged to Ferrari's private investigator, who met with Roberts and recorded her conversations with him, that observers could not distinguish between a real Ferrari Testarossa and his Miami Coupe replica, boasting that:

> See, we put this whole body right on it and it looks just like a real car, *I mean they can't tell by looking*. . . . We build and sell the same car, reproduce it. . . .

Pet. App. at 13-14. (emphasis supplied).

B. Proceedings and Decisions Below

Ferrari sued Roberts for a permanent injunction against his copying of Ferrari's trade dress pursuant to Section 43(a) of the Lanham Act. Based upon the evidence adduced at trial, and the undisputed fact that Roberts designed his replicas to be virtually indistinguishable from the exterior designs of the real Ferrari cars, the district court held that Roberts had intended to cause confusion regarding the origin of his replicas, and that his conduct was in fact likely to cause confusion in commerce regarding the source of his products. Pet. App. at 25-48. Noting that the Lanham Act protects against such confusion not only among Roberts' immediate customers, but also in the marketplace at large, the district court found that the marketing of Roberts' replicas was likely to cause just that result. *Id.* The district court therefore permanently enjoined Roberts from infringing upon Ferrari's trade dress rights in the exterior shapes and features of the Daytona Spyder and the Testarossa. Pet. App. at 87. The Court of Appeals for the Sixth Circuit affirmed, over a dissent by Judge Kennedy, Pet. App. at 1, and later denied Roberts' petition for rehearing *en banc*.

Both courts below rejected Roberts' argument that the federal patent laws preclude trade dress protection under the Lanham Act for the distinctive and source-identifying shapes and features of Ferrari's Daytona Spyder and Testarossa

automobiles.[2] In so ruling, they emphasized that the patent laws and the Lanham Act serve very different purposes in the protection of product designs, the former focusing on copying *per se* of patented articles, whereas the latter protects against confusing imitations of nonfunctional designs that have achieved secondary meaning, *i.e.*, designs that are so distinctive that they identify their source. The court of appeals thus joined the numerous other courts that have uniformly rejected Roberts' patent preclusion argument:

> Courts have consistently rejected Roberts' argument that the availability of design patent protection precludes applicability of the Lanham Act for products whose trade dress have acquired strong secondary meaning. Actionable harm results from *either* infringing a design patent or copying a product with secondary meaning. *Mastercrafters Clock & Radio Co. v. Vacheron & Constantin-LeCoultre Watches, Inc.*, 221 F.2d 464, 466 (2d Cir.), *cert. denied*, 350 U.S. 832 (1955). *See also Audio Fidelity, Inc. v. High Fidelity Recordings, Inc.*, 283 F.2d 551, 558 (9th Cir. 1960). As the court explained in *Rolls-Royce Motors, Ltd. v. A & A Fiberglass, Inc.*, 428 F. Supp. 689, 692-93 (N.D. Ga. 1977):
>
> > There is no doubt that the plaintiffs' Classic Grill and Flying Lady are attractive objects. As such, they may be deserving of copyright or design patent protection. Their entitlement to trademark recognition, however, depends not on their eye appeal but on their characteristic of identifying the manufacturer of Rolls-Royce motor cars.

Pet. App. at 19-20. (emphasis in original).

The courts below also rejected Roberts' argument that affording trade dress protection to the unpatented shapes and

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2 The courts below also rejected other arguments by Roberts regarding post-purchaser confusion and functionality that he is apparently no longer pressing in his Petition.

features of Ferrari cars is inconsistent with this Court's opinions in *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234 (1964); and *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225 (1964), involving the relationship between federal patent law and state unfair competition law. The court of appeals emphasized that these precedents involved only the preemption of state unfair competition laws prohibiting copying *per se*, and not the scope of federal trademark law. Reasoning that trademark law, unlike patent law, addresses and protects secondary meaning, or the source-identifying characteristics of a product's design, it joined every other court of appeals and district court to have considered the issue in holding that the so-called *Sears-Compco* doctrine does not preclude Lanham Act protection of source-identifying trade dress. Pet. App. at 24 (*citing Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 204 (2d Cir. 1979); *Rolls-Royce Motors*, 428 F. Supp. 689). The court of appeals concluded that:

> Lanham Act protection is available to designs which also might have been covered by design patents as long as the designs have acquired secondary meaning. . . . Ferrari's designs have clearly acquired secondary meaning and thus were entitled to protection.

Pet. App. at 25 (*citing Dallas Cowboys Cheerleaders*, 604 F.2d ~~at 204~~-05; *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d 1210, 1215 (8th Cir.), *cert. denied*, 429 U.S. 861 (1976); *In re Mogen David Wine Corp.*, 328 F.2d 925, 930 (C.C.P.A. 1964); *Rolls-Royce*, 428 F. Supp 689).

REASONS FOR DENYING THE WRIT

THE DECISIONS BELOW ARE CONSISTENT WITH THIS COURT'S PRECEDENTS, THE UNIFORM DECISIONS OF THE LOWER COURTS CONSTRUING THEM AND THE SEPARATE PURPOSES OF THE PATENT LAWS AND THE LANHAM ACT

Roberts' Petition mixes apples and oranges—the independent principles and concerns of trademark and patent law—in a manner that has been consistently rejected by every court to consider his argument, and that certainly is not supported by this Court's *Sears*, *Compco* and *Bonito Boats* precedents. Because Roberts concedes that the nonfunctional shapes and features of Ferrari's Daytona Spyder and Testarossa cars enjoy strong secondary meaning—in essence, that their appearances identify their source—these appearances are Ferrari's trade dress and are entitled to federal protection under the Lanham Act, whether or not they could also have been separately protected by federal design patents.

Although Roberts attempts to suggest that trade dress protection under Section 43(a) of the Lanham Act for the distinctive, nonfunctional and source-identifying shapes and features of a product is somehow novel, this Court and every lower court to consider the subject have rightly treated trade dress protection for such designs as a non-controversial application of the statute's salutary goals. In *Inwood Laboratories, Inc. v. Ives Laboratories, Inc.*, 456 U.S. 844 (1982), this Court described a drug manufacturer's Section 43(a) trade dress infringement claim against a copier of the appearance, color and form of its capsules and noted that:

> To establish secondary meaning, a manufacturer must show that, in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself.

456 U.S. at 851 n. 11 (citation omitted). This Court also noted that Section 43(a) "prohibits a broader range of practices" than just the infringement of registered trademarks under § 32 of the Act. 456 U.S. at 858. Similarly, Justice White's concurring opinion in *Ives* states as a routine proposition that:

> The use of a product or package design that is so similar to that of another producer that it is likely to confuse purchasers as to the product's source may constitute "false designation of origin" within the meaning of [Section 43(a)] of the Act.

456 U.S. at 863 (*citing*, *inter alia*, the Eighth Circuit's decision in *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d 1210 (8th Cir.), *cert. denied*, 429 U.S. 861 (1976)) (the distinctive shape of a semi-trailer truck is protected from infringement under Section 43(a)).

While *Ives* did not reach the merits of the Section 43(a) claim in that case or involve Roberts' *Sears-Compco* argument, there is no indication in this Court's opinion that trade dress protection under Section 43(a) of the Lanham Act is unavailable, under the patent laws or otherwise, for a nonfunctional product design with secondary meaning. On the contrary, the Court's references to the subject acknowledge the availability of such protection as a matter of course.

Where Roberts' *Sears-Compco* argument has been made in the lower courts in other cases, it has been uniformly rejected, just as the court of appeals and the district court rejected it here. *See In re Teledyne Indus., Inc.*, 696 F.2d 968, 971 n.4 (Fed. Cir. 1982); *Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd.*, 604 F.2d 200, 204 (2d Cir. 1979); *Ives Laboratories, Inc. v. Darby Drug Co.*, 601 F.2d 631, 642 (2d Cir. 1979); *Truck Equip. Serv. Co. v. Fruehauf Corp.*, 536 F.2d at 1214-15; *In re Mogen David Wine Corporation*, 328 F.2d 925, 929 (C.C.P.A. 1964); *Nabisco Brands, Inc. v. Conusa Corp.*, 722 F. Supp. 1287, 1292 (M.D.N.C.), *aff'd*, 829 F.2d 74 (4th Cir. 1989); *Roll Royce Motors, Ltd. v. A & A Fiberglass, Inc.*, 428 F. Supp. 689, 692-93 (N.D.

Ga. 1977); *Time Mechanisms, Inc. v. Qonaar Corp.*, 422 F. Supp. 905, 908-12 (D.N.J. 1976). Nor has there been any indication from Congress in the almost three decades since *Sears* and *Compco* were decided that the consistent interpretation of Section 43(a) by the lower courts as providing protection to nonfunctional product designs with secondary meaning is violative of congressional intent in enacting either Section 43(a) or the patent laws.

These decisions, which the opinions below follow, are fully consistent with *Sears*, *Compco* and *Bonito Boats* and the separate purposes of the patent laws and the Lanham Act. The very manner in which Roberts casts his argument—suggesting that the court of appeals decision permits the manufacturer of an unpatented product design to sue to prevent a copy of that design simply "due to the confusion of the public caused by the similarity in appearance of the copied good," Pet. at 8-9, and arguing that the patent laws alone protect manufacturers from "dilution" of designs, Pet. at 15-16—tellingly misstates the issue. Ferrari's Lanham Act claim against Roberts is *not* based on public confusion caused by the mere similarity in appearance of Roberts' copies of Ferrari's cars, or on his admitted copying *per se*, or on the "dilution" of Ferrari's designs. Rather, as is true of all actionable claims under Section 43(a) of the Lanham Act, Ferrari's claim is based on the facts that the nonfunctional shapes and features of the Daytona Spyder and Testarossa enjoy strong secondary meaning, and that Roberts' appropriation of those shapes and features is likely to create confusion as to the source, sponsorship or authorization of the Ferrari replicas that he sells.

It is precisely the requirement that a product's nonfunctional design features have secondary meaning denoting its source—amply satisfied by Ferrari here—that distinguishes Section 43(a) of the Lanham Act from the state unfair competition laws that this Court invalidated in *Sears*, *Compco* and *Bonito Boats*. Each of those state laws proscribed copying *per se*, without requiring any evidence of secondary meaning. Indeed, Roberts concedes that neither *Sears* nor

Compco involved the issue of secondary meaning or any evidence on that issue, acknowledging that in *Sears* and *Compco* "this Court reversed decisions finding unfair competition to exist *solely* on the basis of similarity in appearance of copied goods." Pet. at 9 (emphasis supplied). Roberts could hardly escape making this concession; as the court of appeals emphasized below, Pet. App. at 19-25, and as the Eighth Circuit stated earlier in *Fruehauf*:

> [t]he law of trademark and the issues of functionality and secondary meaning were not before the Court [in *Sears* and *Compco*]. The issue before the Court was whether state law could extend the effective term of patent protection granted by the federal statutes.

536 F.2d at 1214.

Sears and *Compco* thus did not address trademark law or the issue of secondary meaning, which is the essence of what trademark law protects. As the court of appeals stated here, Pet. App. 21-22, and the Eighth Circuit noted in *Fruehauf*, it is the protection of nonfunctional product designs with secondary meaning from confusing imitation that distinguishes trademark law from the concerns of patent law:

> The protection accorded by the law of trademark and unfair competition is greater than that accorded by the law of patents because each is directed at a different purpose. . . . As stated in *Application of Mogen David Wine Corporation*, 328 F.2d 925, 929 (C.C.P.A. 1964):
>
> > "[T]he law recognizes that the protection accorded to a design under the patent laws and that accorded to what amounts to a trademark under the common law doctrine of secondary meaning are separate and distinct, and that the rights conferred by law in the one in no way exclude the rights conferred by law in the other."
>
> The underlying purpose and the essence of patent rights are separate and distinct from those appertaining to trademarks. No right accruing from the one is depen-

> dent upon or conditioned by any right concomitant to the other. The longevity of the exclusivity of one [patents] is limited by law while the other [trademarks and trade dress] may be extended in perpetuity.

536 F.2d at 1215.[3]

Because of the strong evidence of secondary meaning in this case, there is a sharp difference between Ferrari's claim and the plaintiff's claim in *Sears*, which this Court found to rest upon the "mere inability of the public to tell two identical articles apart. . . ." 376 U.S. at 232. Ferrari's claim rests not upon the public's mere inability to distinguish Roberts' automobile conversions from genuine Ferrari cars, but upon the confusion as to source or sponsorship that his conversions will generate because of the strong secondary meaning associated with the shapes and features that he deliberately copied.

There were likewise no trademark or trade dress issues present in *Bonito Boats*, nor could there have been, because there was no evidence that the boat hulls at issue in that case enjoyed any secondary meaning. To the contrary, this Court expressly emphasized in *Bonito Boats* that it was *not* addressing the type of claim that Ferrari is making here, whether based on federal or state law. First, this Court noted that the mere fact that an article lies within the subject matter of the patent laws does not preclude states from offering protection —including unfair competition protection against trade dress infringement—that does not interfere with the federal patent scheme. This Court stressed that regulations designed to protect designs that enjoy secondary meaning do not run afoul of the patent laws because "[a]s *Sears* itself makes clear, States may place limited regulations on the use of unpatented

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3 The Petition and Judge Kennedy's dissent below are therefore mistaken in arguing that the decisions below "give Ferrari the equivalent of a design patent in perpetuity." Pet. at 13, Pet. App. at 86. Ferrari's Lanham Act rights derive from the undisputed strong secondary meaning that its automobile designs enjoy, and those rights will endure only for so long as that secondary meaning survives.

designs in order to prevent consumer confusion as to source." 489 U.S. at 165-66. This Court also emphasized that the law of unfair competition (as well as state trade secret law) "promote goals outside the contemplation of the federal patent scheme," and that both have "coexisted harmoniously with federal patent protection for almost 200 years, and Congress has given no indication that their operation is inconsistent with the operation of the federal patent laws." 489 U.S. at 166 (citations omitted).

Even more important, this Court also took pains to stress that, wholly apart from its consideration of the relationship between the federal patent laws and *state* law, it was not suggesting a limitation on *federal* law claims arising under the Lanham Act for patentable items, and that neither *Sears* nor *Compco* created any such limitation:

> Indeed, *there are affirmative indications from Congress that both the law of unfair competition and trade secret protection are consistent with the balance struck by the patent laws.* Section 43(a) of the Lanham Act . . . creates a federal remedy for making "a false designation of origin, or any false description or representation, including words or other symbols tending falsely to describe or represent the same. . . ." Congress has thus given federal recognition to many of the concerns that underlie the state tort of unfair competition, and *the application of Sears and Compco to nonfunctional aspects of a product which have been shown to identify source must take account of competing federal policies in this regard.*

489 U.S. at 166 (emphasis supplied).[4]

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4 Roberts thus is attacking a straw man when he asserts that the court of appeals did not explain "why the purposes and policies of the patent statutes are less important when balanced against Federal unfair competition law than they are when balanced against State unfair competition law." Pet. at 12. The difference in this regard lies not in the source of the law at issue, but in what that law is designed to accomplish, and the evidence necessary to invoke its protections. Unlike Section 43(a) of the Lanham Act, the state laws at issue in *Sears*, *Compco* and *Bonito Boats* did not address source confusion and therefore did

Thus, Roberts' argument that *Sears*, *Compco* and *Bonito Boats* preclude Lanham Act protection for the trade dress rights arising from the nonfunctional source-identifying exterior design features of Ferrari's Daytona Spyder and Testarossa automobiles is based on a thorough misreading of those precedents and an attempt to expand them far beyond their letter and spirit. If adopted, Roberts' construction of these precedents would place the federal patent laws and Section 43(a) of the Lanham Act fundamentally at odds with one another in the area of trade dress protection, contrary to this Court's express teaching in its *Bonito Boats* decision. There is no indication in *Bonito Boats* that this Court intended such a result. To the contrary, this Court's *Bonito Boats* decision emphasized the harmony between the two statutory schemes. 489 U.S. at 166.

Roberts' reliance on *Sears*, *Compco* and *Bonito Boats* is also unavailing because it ignores the important Supremacy Clause rationale for those decisions, one that is completely absent here. *Sears*, *Compco* and *Bonito Boats* each involved preemption of *state* law by the federal patent laws, rather than the construction of a federal statute such as the Lanham Act. As *Bonito Boats* notes, the Lanham Act and the federal patent laws have coexisted for decades, and no reported decision suggests they are incompatible. 489 U.S. at 166. To the contrary, *Compco* states that a defendant can copy a design that is "not entitled to a design patent *or other federal statutory protection. . . .*" *Compco*, 376 U.S. at 238 (emphasis in original). Roberts cannot copy Ferrari's trade dress because the "other federal statutory protection" provided by Section 43(a) of the Lanham Act—reflecting Congress's

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not require any evidence of secondary meaning in order to invoke their protections. Rather, those state laws were aimed exclusively at copying *per se*, which is within the contemplation of the federal patent scheme, and purported to restrict the public's ability to exploit ideas that the patent system does not regulate. By contrast, *Bonito Boats* makes clear that this Court has not viewed state unfair competition protection for product designs that enjoy secondary meaning as being precluded by the patent laws.

determination that commerce should be protected from potentially confusing indicia of source or origin, including trade dress—precludes him from doing so.[5]

Further, despite Roberts' suggestions to the contrary, there is nothing novel about the fact that, where there is evidence of strong secondary meaning inherent in a nonfunctional product design, the separate and independent bodies of patent law and trademark law can in fact provide that design with dual federal statutory protection. Patent law is concerned with similarity *per se*, and not with the issues of source identification and confusion as to source or sponsorship that are the touchstones of trademark analysis. Accordingly, the holder of a design patent can proceed against copies that replicate the patented design without regard to secondary meaning or confusion. Under the Lanham Act, however, a party can seek to protect itself against a copy of its product design only if it can demonstrate that its design enjoys secondary meaning, *i.e.*, that it identifies the product's source. *See* McCarthy, *Trademarks and Unfair Competition* § 7:30 (2d ed. 1984) at 260 ("Dual protection from both design patent and trademark law may exist where it is alleged that the configuration or shape of a container or product is ornamental and also functions to identify and distinguish the source of goods."). There is no inconsistency to such dual protection; to the contrary, as Professor McCarthy notes:

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5 Judge Kennedy's dissent from the court of appeals' decision below therefore was mistaken in arguing that "[b]y holding that [state] statutes conflicted with federal patent laws, the Supreme Court [in *Sears*, *Compco* and *Bonito Boats*] implicitly rejected the distinction [between the patent laws and the Lanham Act] urged by the majority," and that the "rationale applied in this trilogy of cases to state unfair competition laws applies with equal force to federal trademark laws." Pet. App. at 85. Moreover, this argument does not address the Supremacy Clause basis for *Sears*, *Compco* and *Bonito Boats*, which does not apply when considering another federal statute, such as the Lanham Act. As discussed above, the dissent also overlooked the fact that the state unfair competition laws invalidated in *Sears*, *Compco* and *Bonito Boats* did not require a showing of secondary meaning at all, but rather addressed copying *per se*.

> [A] design patent, rather than detracting from a claim of trademark, may support such a claim. Since a design patent is granted only for nonfunctional designs, it may be presumptive evidence of nonfunctionality and thus support the trademark claimant.

McCarthy § 7:30 at 263.

Moreover, as the Eighth Circuit recognized in *Fruehauf*, a contrary view would inhibit free competition:

> Full and fair competition requires that those who invest time, money and energy into the development of goodwill and a favorable reputation be allowed to reap the advantages of their investment. As the legislative history of the Lanham Act states:
>
> > "Trade-marks encourage the maintenance of quality by securing to the producer the benefit of the good reputation which excellence creates. To protect trade-marks, therefore, is to protect the public from deceit, to foster fair competition, and to secure to the business community the advantages of reputation and good will by preventing their diversion from those who have created them to those who have not."
>
> To protect . . against the misappropriation of the exterior design of the [plaintiff's trailer], portions of which are nonfunctional and which is possessed of a secondary meaning, will be in furtherance of this Congressional purpose. Contrary to the situation in *Sears* and *Compco*, there is in the instant controversy no conflict with federal statutory policy.

536 F.2d at 1215 (citations omitted).[6]

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6 Roberts also asserts, citing Judge Kennedy's dissent below, that Lanham Act protection for the shapes and features of Ferrari's cars is inappropriate under *Bonito Boats* because that decision limits unfair competition claims to " 'protecting *consumers* from confusion as to source . . . not the protection of producers as an incentive to product

In sum, Section 43(a) of the Lanham Act protects the strong secondary meaning associated with the exterior appearance or trade dress of Ferrari's cars, which has nothing to do with the purposes or policies of the patent laws. Unlike the state laws at issue in *Sears*, *Compco* and *Bonito Boats*, Section 43(a) of the Lanham Act does not purport to regulate copying *per se*, nor does it purport to extend patent-like protection to unpatented articles without proof of secondary meaning. Secondary meaning is the *sine qua non* of a claim under Section 43(a) of the Lanham Act; it is a purpose outside the contemplation of the federal patent scheme, but within the principal reach of the Lanham Act, to prevent confusion as to the source or sponsorship of goods. *See Bonito Boats*, 489 U.S. at 165-66. Because the record is replete with evidence of the strong secondary meaning enjoyed by the shapes and features of Ferrari's Daytona Spy-

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innovation,' " Pet. at 15-16 (quoting 489 U.S. at 157). However, both courts below found that there *was* likelihood of confusion between Roberts' replicas and genuine Ferraris, not among Roberts' own customers, but in the marketplace at large. Pet. App. at 25-49, 115-122. This Court in *Bonito Boats* did not limit claims under Section 43(a) of the Lanham Act to those involving point-of-sale source confusion, and as both courts below ruled, neither the terms nor the legislative history of the Lanham Act support such a limitation. To the contrary, the post-purchaser confusion doctrine is well-settled and has been applied in numerous other cases to protect trademarks and trade dress against the type of intentional copying and misappropriation of goodwill in which Roberts engaged. *See e.g.*, *Polo Fashions, Inc. v. Craftex, Inc.*, 816 F.2d 145, 148 (4th Cir. 1987); *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 872-73 (2d Cir. 1986); *Mastercrafters Clock & Radio Co. v. Vacheron & Constantin Le-Coultre Watches, Inc.*, 221 F.2d 464 (2d Cir.), *cert. denied*, 350 U.S. 832 (1955); *G.H. Mumm Champagne v. Eastern Wine Corp.*, 142 F.2d 499 (2d Cir.) (L. Hand, J.), *cert. denied*, 323 U.S. 715 (1944) (pre-Lanham Act case); *Nabisco Brands, Inc. v. Conusa Corp.*, 722 F. Supp. 1287, 1291-92 (M.D.N.C.) *aff'd*, 892 F.2d 74 (4th Cir. 1989); *Rolex Watch U.S.A., Inc. v. Canner*, 645 F. Supp. 484 (S.D. Fla. 1986); *Rolls-Royce Motors, Ltd. v. A & A Fiberglass, Inc.*, 428 F. Supp. 689, 694 (N.D. Ga. 1977); *T & T Mfg. Co. v. A.T. Cross Co.*, 449 F. Supp., 813, 823 (D.R.I.), *aff'd*, 587 F.2d 533 (1st Cir. 1978), *cert. denied*, 441 U.S. 908 (1979).

der and Testarossa automobiles and of Roberts' attempts to market confusingly similar replicas with the same shapes and features, the protection afforded to those design elements by the courts below is completely consistent with the Lanham Act, and is not precluded by the federal patent laws.

CONCLUSION

For all the foregoing reasons, the requested writ of certiorari should be denied.

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Respectfully submitted,

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